(iii) The Government believes that privatisation should increase competition, not decrease it. It will not support the emergence of and monopoly that only restricts competition. It also believes that there must be a direct link between privatisation and social needs — like, for example, the use of privatisation revenues for designated social sector schemes. Public sector companies and nationalized bank will be encouraged to enter the capital market to raise resources and offer new investment avenues to retail investors.

(c) No, Sir.

(d) Does not arise.

Simplification of information brochures for insurance products

1459. SHRIMATI BIMBA RAIKAR: Will the Minister of FINANCE be pleased to state:

(a) whether the KP Narsimhan Committee has recommended simplifying information brochures for insurance products devoid of jargon and technical terms;

(b) whether the Law Commission has suggested setting up of grievance cells and Insurance Appellate tribunals to look into complaints by policy holders; and

(c) whether the Narsimhan Committee observed that such grievance redressal mechanism would turn out to be costly for the common policy holders and will not be accessible to non-urban areas?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (c) The Narasimhan Committee was set up by the Insurance Regulatory and Development Authority (IRDA) to deliberate on the recommendations of the Law Commission to review the Insurance Act, 1938. It has submitted its report to IRDA in July, 2005. IRDA has placed this report in the public domain for comments of all stakeholders. IRDA is yet to submit its report to Government.

(b) Yes, Sir. The 190th Report of Law Commission has been laid on the Table of the House on 13.12.2004.